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SIPDIS

DEPT FOR EUR/NCE DKOSTELANCIK AND MSESSUMS
COMMERCE FOR 4232/ITA/MAC/EUR/OECA/MROGERS, JBURGESS,
JKIMBALL
DEPT OF TRANSPORTATION FOR FHWA ASSOCIATE ADMINISTRATOR
KING GEE

E.O. 12958: N/A

TAGS: [ECIN](#) [ECON](#) [ELTN](#) [PL](#)

SUBJECT: FHWA ASSOCIATE ADMINISTRATOR VISITS POLAND,
DISCUSSES ROAD INFRASTRUCTURE

REF: WARSAW 3668

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¶11. (U) Summary. Poland's lack of a quality road infrastructure presents serious problems for economic development, road safety, and quality of life. In continuing to investigate this problem and encourage GOP action, Embassy Warsaw Public Affairs and Econ Sections collaborated to bring King Gee, Associate Administrator at the Federal Highway Administration, to Warsaw from February 21-24 to discuss the development of the Polish highway system. Mr. Gee presented a paper to an industry sponsored trade show and held meetings with representatives from the Polish public and private sectors. All of the Poles with whom Mr. Gee met displayed strong interest in his insight and opinions, and expressed an interest in continued dialogue with the Federal Highway Administration. End Summary.

Infratech

¶12. (U) Mr. Gee's first event in Warsaw was the Infratech Conference and Trade Show, organized as a forum for industry representatives from building and consulting firms and members of Polish government at the national and local levels. Minister of Transport and Infrastructure Jerzy Polaczek gave the keynote address at the conference, and then made a presentation during which he spoke in broad terms about the historic opportunity to develop the Polish road system.

¶13. (U) After attending the morning panel, Mr. Gee gave a presentation highlighting the first 50 years of the American Interstate Highway System. Mr. Gee focused on the history of highway building in the U.S., the importance of highways in American culture, and the positive economic effect caused by the growth of the country's highway system. This last point in particular struck a chord with the audience, many of whom were from Polish or European companies trying to take advantage of the potential boom in the roads sector.

The General Roads Directorate

¶14. (U) On the following day Mr. Gee met with Zbigniew Kotlarek, Acting General Director of the General Directorate of National Roads and Highways (GDDKiA). Mr. Kotlarek, who spent time in the U.S. on an exchange program in the early 1980s, explained that the GDDKiA carries budgetary responsibility for 18,000km of national roads in Poland, while 1,000km of smaller roads are maintained by Poland's 16 voivods. At the more local level, county governments have responsibilities for local roads.

¶15. (SBU) In the course of the discussion, Mr. Gee noted that Poland had only approximately 550km of highway, and asked what problems contributed to the situation. Kotlarek cited two specific problems. First, he criticized Poland's legislation covering environmental impact assessments, which he noted is stricter than the EU standard. For example, if a section of road is being built or even upgraded, and it is longer than 10km, the law dictates that an environmental impact study be conducted for the entire length of the road throughout the entire voivod. The requirement is costly and acts as a significant disincentive to road construction. Second, Kotlarek mentioned how difficult it can be to acquire land in Poland. The GOP must not only deal with multiple owners, it must also try to negotiate a price at market level. Poland does have a law giving the state eminent domain rights, but the law is relatively new and can only be applied in limited situations. Despite these barriers to progress, Kotlarek emphasized that progress is being made, and that the injection of EU cohesion and EBRD funds into Polish infrastructure projects would lead to inevitable improvement. Mr. Gee and Kotlarek also discussed the need to manage public expectations through the media, as Kotlarek

noted he was next on his way to a press conference to discuss GDDKiA plans for the upcoming year.

World Bank and AMCHAM

16. (SBU) Mr. Gee also met with Radek Czapski, World Bank (WB) Infrastructure Sector Operations analyst, and Aleksander Granowski, Vice President at the Warsaw office of Atkins Global, and President of the AMCHAM Infrastructure Committee.

Mr. Czapski discussed the World Bank's activities in conjunction with the development of Poland's national roads network, noting that current WB projects involve cooperation with the GDDKiA in two areas: maintenance, rehabilitation, and strengthening of existing roads; and the creation of an information management system to handle all of the GDDKiA's technical, financial, human resources, and contract-related data.

17. (SBU) Mr. Granowski and Gee discussed the history of the FHWA and the role that highways have played in increasing the scope of commerce in the United States. Granowski has spent considerable time in the U.S., and stated that Poland had much to learn from the U.S. experience. Gee and Granowski also discussed the importance of lobbying and organizing to promote the interests of the road building community. When the conversation turned to the environmental law, Gee related how the FHWA had learned over the course of time to live and work with environmental groups, especially since an ever increasing number of private citizens share concerns about roads' impact on the environment. Granowski concurred, but mentioned that a balance needed to be struck between environmental considerations and the installation of a modern transport infrastructure in Poland.

18. (SBU) Comment. Embassy Warsaw continues to monitor GOP progress toward creating an adequate highway system, and strives to engage the GOP when possible on this important issue. Mr. Gee's visit allowed us to do both simultaneously.

Obviously, the GOP will have to solve this problem on their own, but visits from U.S. experts such as Mr. Gee reinforce their sense of urgency in addressing the issue. Many of Mr. Gee's interlocutors expressed an interest in continuing the dialogue started during his visit. Embassy Warsaw hopes that future collaborations with the FHWA and infrastructure construction companies will be possible.

19. (U) King Gee cleared this cable.

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